PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of Thursday, June 25, 2009

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Callisto, Commissioner Meyer, and Commissioner Azar.

Minutes

The Commission approved the minutes of the Open Meetings of Thursday, June 4, 2009, and Thursday, June 11, 2009.

5-BS-177 - Joint Application of Wisconsin Power and Light Company and Rock Energy Cooperative, Both as Electric Public Utilities, for Authority to Sell/Buy Certain Electric Distribution Facilities and to Transfer Two Customers Served by the Same Facilities from Wisconsin Power and Light Company to Rock Energy Cooperative in the City of Milton, Rock County, Wisconsin

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

137-AE-112 - Application of American Transmission Company LLC and Upper Peninsula Power Company for Approval of an Affiliated Interest Agreement Relating to L'Anse Substation Common Facilities Expansion

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3420-ER-105 - Application of the City of Marshfield, Wood County, Wisconsin, as an Electric Public Utility, for Authority to Increase Electric Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4220-UR-116 - Application of Northern States Power Company, a Wisconsin Corporation, for Authority to Adjust Electric and Natural Gas Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6680-UR-117 - Application of Wisconsin Power and Light Company for Authority to Adjust Electric and Natural Gas Rates

The Commission approved the Notice of Proceeding and Prehearing Conference and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6685-CE-109 - Application of WPPI Energy for Authority to Upgrade the Steam Turbine Generator at Boswell Energy Center Unit 4, Located in Cohasset, Minnesota

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6690-GF-124 - Application of Wisconsin Public Service Corporation for a Gas Risk Management Program

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

2180-TI-147 – Administration of the Mechanism of Price Regulation Relating to Verizon North, Inc., on the Fourteenth Anniversary Date

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3110-TR-102 – Notification by Lemonweir Valley Telephone Company that it Intends to Increase Telephone Rates

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

900-WR-105 - Application of the Village of Caledonia Water Utility, Racine County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and Telephonic Hearing and directed it be signed by the Secretary to the Commission on behalf of the Commission.

2310-WR-102 - Application of the Town of Grand Chute Sanitary District Number 1, Outagamie County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3320-WR-105 - Application of Manitowoc Public Utilities, Manitowoc County, Wisconsin, for Authority to Revise the Wholesale Water Rate to Central Brown County Water Authority

The Commission approved the Notice of Proceeding and Telephonic Hearing and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4460-CW-102 - Application of Osceola Municipal Water Utility, Polk County, Wisconsin, to Construct Improvements to Well Number 3

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5110-CW-105 - Application of River Falls Municipal Utility, Pierce and St. Croix Counties, Wisconsin, to Construct Three Well House Additions

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5250-WR-100 - Application of St. Nazianz Water Utility, Manitowoc County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5750-CW-105 - Application of Stoughton Water Utility, Dane County, Wisconsin, to Construct a 500,000 Gallon Elevated Water Tank and Connecting Water Main

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5750-WR-103 - Application of Stoughton Water Utility, Dane County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5795-WR-101 - Application of Suamico Water Utility, Brown County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-AE-177 - Application of American Transmission Company LLC and Wisconsin Public Service Corporation for Approval of a Capacitor Lease Agreement

This item was laid over at the request of the Commission.

137-CE-147 - Application of American Transmission Company, as an Electric Public Utility, to Construct a New 345 kV Transmission Line from the Rockdale Substation to the West Middleton Substation, Dane County, Wisconsin

The Commission modified and approved the Final Decision and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6680-AE-112 - Application for Approval of an Affiliated Interest Contract Between Wisconsin Power and Light Company and Cedar Rapids and Iowa City Railway Company for an Affiliated Interest Agreement

This item was laid over at the request of the Commission.

6720-TI-218 – Wisconsin Bell, Inc., d/b/a AT&T Wisconsin's Infrastructure Incentive Plan for Calendar Year 2009

The Commission approved the Final Decision and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-AE-118 – Application for Approval of Affiliated Interest Agreements Between Wisconsin Electric Power Company and Elm Road Generating Station

This item was laid over at the request of the Commission.

137-CE-147 - Application of American Transmission Company, as an Electric Public Utility, to Construct a New 345 kV Transmission Line from the Rockdale Substation to the West Middleton Substation, Dane County, Wisconsin

1-IC-408 – Application for Intervenor Compensation Filed by Protect Our Rural Landscape for \$126,360 to Participate in Docket 137-CE-147

Application for Supplemental Intervenor Compensation Filed by Protect Our Rural Landscape

The Commission modified and approved the request filed on behalf of Protect Our Rural Landscape (PORL), awarding the amount of \$3000.00 in supplemental intervenor compensation for PORL's attorney expenses.

Commissioner Azar dissented.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

5-CE-138 - Joint Application of Wisconsin Power and Light Company, Wisconsin Public Service Corporation, and Madison Gas and Electric Company for a Certificate of Authority to Install Emissions Reduction Systems at the Columbia Energy Center Units 1 and 2

1-IC-418 – Joint Application for Intervenor Compensation Filed by Citizens' Utility Board and Clean Wisconsin for \$128,965 to \$145,285 to Participate in Docket 5-CE-138

1-IC-419 - Application for Intervenor Compensation Filed by Sierra Club John Muir Chapter for \$105,700 to Participate in Docket 5-CE-138

The Commission modified and approved the request filed on behalf of the Citizens' Utility Board (CUB) and Clean Wisconsin (CW), awarding the amount of \$123,965 in intervenor compensation. The approved amount excludes costs proposed by CUB/CW for analysis of environmental trust funding, and includes a reduced labor rate for services provided by La Capra Associates, Inc., to reflect the labor rates approved by the Commission in docket 5-CE-137/1-IC-140.

The Commission modified and approved the request filed on behalf of the Sierra Club, awarding the amount of \$100,259 in intervenor compensation. The approved amount includes a reduction of the rate for legal services to \$175 per hour.

Commissioner Azar concurs with the amount of the award to Sierra Club, but does not agree with the hourly fee reduction of Sierra Club's attorney fees or the reduced labor rates.

The Commission directed the Gas and Energy Division to draft orders consistent with its discussion.

4220-GF-115 – Application of Northern States Power Company-Wisconsin for a Gas Risk Management Program

The Commission approved the risk management plan filed on behalf of Northern States Power Company-Wisconsin (NSPW), for the natural gas utility, with the following conditions:

- 1. NSPW shall file quarterly reports to the Commission regarding the activities of the 2009-2010 Gas Price Volatility Mitigation Plan (GRMP) and shall work with Commission staff regarding reporting content.
- 2. NSPW shall report any violation of the GRMP protocols to the Commission within five business days upon discovery of the violation.
- 3. Approval of the GRMP shall extend to March 31, 2010.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

5-GF-104 – Administration of the Universal Service Fund

Determination of the Universal Service Fund Budget for FY 2010

The Commission approved a \$5.94 million operating budget for the Universal Service Fund for Fiscal Year 2010.

6720-DR-101 – Petition of AT&T Wisconsin for Declaratory Ruling that its "U-verse Voice" Service is Subject to Exclusive Federal Jurisdiction

Determination of AT&T Request for Oral Argument

The Commission granted the Motion for Oral Argument filed on behalf of AT&T Wisconsin.

The Commission directed the Telecommunications Division to draft a notice consistent with its discussion.

1580-119212 – Request for Reconsideration of the Commission's Decision Not to Conduct a Formal Review of Mr. William Ridgely's Complaint Against the DeForest Municipal Water Utility

The Commission denied the request filed on behalf of Mr. William Ridgely to reconsider its decision not to conduct a formal review of his complaint against the DeForest Municipal Water Utility.

The Commission directed the Division of Water, Compliance and Consumer Affairs to draft an order consistent with its discussion.

6680-SB-133 – Application of Wisconsin Power and Light Company for Authority to Issue and Sell Up to \$600,000,000 Aggregate Principal Amount of Debt Securities in One or More Series

This item was laid over at the request of the Commission.

The Commission adjourned the meeting at 11:23 a.m.

Sandra J. Paske Secretary to the Commission